2008 Financial Reports Bulletin
11 February 2009 at 9 am

CRAMO FINANCIAL STATEMENTS FOR JANUARY-DECEMBER 2008
GOOD PERFORMANCE IN A CHALLENGING OPERATING ENVIRONMENT

- Consolidated sales EUR 579.8 (496.4) million, up 16.8 %; in local currencies the growth is 19.5 %
- EBITA EUR 102.2 (96.0) million, up 6.5 %; EBITA margin 17.6 %
- EBIT EUR 91.8 (91,8) million
- Undiluted earnings per share EUR 1.59 (1.88); and diluted earnings per share EUR 1.59 (1.87)
- Systematic adjustments in a changing operating environment
- Weakening market and restructuring costs hit profits in the last quarter
- The Board proposes a dividend of EUR 0.40 (0.65) per share
- In 2009, consolidated sales and EBITA margin will not reach the levels recorded in 2008. However, the Group's cash flow after investments is expected to stay positive

KEY FIGURES AND RATIOS (IN EURO 1,000)	10-12/08	10-12/07	1-12/08	1-12/07
Sales	143,316	143,773	579,802	496,428
Operating profit before amortisation on intangible assets resulting from acquisitions (EBITA)	19,843	26,144	102,153	95,963
Operating profit (EBIT)	14,578	25,131	91,804	91,844
Profit before tax (EBT)	4,749	20,532	63,675	75,808
Profit for the period	6,732	14,679	48,650	57,485
Earnings per share (EPS) before amortisation on intangible assets resulting from acquisitions, diluted, EUR	0.35	0.50	1.84	1.96
Earnings per share (EPS), undiluted, EUR	0.22	0.48	1.59	1.88
Earnings per share (EPS), diluted, EUR	0.22	0.48	1.59	1.87
Equity per share, EUR			10.42	10.88
Return on equity, rolling 12-month, %			14.9	18.4
Equity ratio, %			32.4	37.3
Gearing, %			149.3	109.4
Net interest-bearing liabilities			477,124	364,985
Gross capital expenditure			201,192	175,494
% of sales			34.7	35.4
Average number of personnel			2,617	2,070

SUMMARY OF FINANCIAL PERFORMANCE IN 2008

Cramo Group's consolidated sales continued to be strong in 2008. Sales increased in all market areas and totalled EUR 579.8 (496.4) million. Sales showed an increase of 16.8 per cent over the previous year. Sales growth slowed at the end of the year due to the strong drop in value of several European currencies, particularly the Swedish krona, in relation to the euro. Sales growth in local currencies was 19.5 per cent, which was in line with the Group targets. In the last quarter sales growth was -0.3 per cent, and 6.7 per cent in local currencies. Cramo estimates that it has strengthened its market position in all market areas in 2008.

EBITA in 2008 was EUR 102.2 (96.0) million, representing a 6.5 per cent growth.The EBITA margin was 17.6 (19.3) per cent of consolidated sales. EBITA for the last quarter amounted to EUR 19.8 (26.1) million, representing 13.8 (18.2) per cent of sales. The weak market situation, the Group's restructuring expenses and credit losses and credit loss provisions weakened the profit in the last quarter. Restructuring expenses totalled EUR 1.6 million and credit losses and credit provisions EUR 1.9 million in the last quarter. Profit for the last quarter includes EUR 4.1 million in income from the acquisition of a minority share in Cramo Rentakran. Furthermore, the last quarter includes a EUR 3.4 million impairment on the intangible assets included in the Cramo Rentakran acquisition. The Group's cash flow after investments turned positive in Q4 2008 and was EUR 13.2 million.

The operating environment changed dramatically during 2008. Demand continued to be good early in the year in almost all markets, and the use of rental services continued to increase. The market slowdown began in the Baltic countries in early 2008 and spread to other market areas in the autumn. Systematic adjustments to the changed market situation continued throughout the year, protecting profits.

Sales in the equipment rental business grew strongly in Central and Eastern Europe, 32.8 per cent, and 30.4 per cent in Western Europe. Equipment rental in Finland and Sweden and the modular space business achieved growth that was in line with the targets. The profitability for modular space improved over the previous year and remained at a very good level throughout the year. The modular space business brings stability in Cramo Group's operations over the business cycle. Profitability in equipment rental fell in comparison to the previous year as a result of a general drop in demand. In the beginning of the year, the Group added depots in Western Europe as well as in Central and Eastern Europe. The new units had a dilutive effect on Group earnings.

Earnings per share in 2008 were EUR 1.59 (1.88), representing a decline of 15.6 per cent on the previous year. Diluted earnings per share were EUR 1.59 (1.87), representing a decline of 15.1 per cent. The Board proposes a dividend of EUR 0.40 (0.65) per share to the Annual General Meeting of Shareholders.

OUTLOOK FOR 2009

The economic operating environment is expected to weaken in 2009. The Group expects the amount of construction to fall in all Nordic countries and the Baltic countries. Construction is expected to continue to increase in Poland, in the Czech Republic and in Slovakia, although at a lower level. The outlook for new construction has also weakened in Russia, but the growing popularity of equipment rental will support demand for rental services. Continued growth is anticipated in the demand for modular space. This demand continues to be supported by relocations, demographic changes and by the need for increasingly flexible space solutions in industry and public administration.

Cramo operates in three main business sectors: construction equipment rental, equipment rental for the other industry and modular space rental. All of these business areas fall into the categories of public and private. The construction industry consists not only of residential construction, but also of non-residential construction, infrastructure construction and renovation. In spite of a general decline in construction, there are pockets of growth which Cramo intends to utilise in full.

Public spending especially in infrastructure construction is expected to grow during the year. The same is expected in renovation. With rental contracts averaging five years, the modular space business has a stabile earnings pattern.

As a result of investments made in recent years, the Group has a modern and competitive rental fleet and no investments are needed in 2009. Rather than investing in new equipment, Cramo will focus on optimising the use of its fleet on a Group-wide basis in 2009. Furthermore, the Group will continue its systematic cost adjustment measures to protect its profitability and its cash flow from operating activities in all situations. The cost reduction measures are expected to bring cost savings of at least EUR 25 million in 2009.

Many European currencies weakened in comparison to the euro at the end of 2008. If currency rates remain at the same level as in the beginning of 2009, this will have a negative impact on the Group's figures measured in Euros in relation to the comparison figures for 2008.

In 2009, consolidated sales and EBITA margin will not reach the levels recorded in 2008. However, the Group's cash flow after investments is expected to stay positive.

SALES AND PROFIT

Cramo is a service company specialising in equipment rental services, as well as the rental and sale of modular space. Its equipment rental services comprise construction machinery and equipment rentals and rental-related services. These rental-related services include construction site and installation services. As one of the industry's leading service providers in the Nordic countries and Central and Eastern Europe, Cramo Plc operates in Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia and Russia. Cramo estimates that it has strengthened its position in all market areas in 2008.

Cramo Group's consolidated sales continued to be strong in 2008. Sales increased in all market areas and totalled EUR 579.8 (496.4) million. Sales showed an increase of 16.8 per cent over the previous year. Growth in sales slowed at the end of the year due to the weakening of several European currencies, particularly the Swedish krona, in relation to the euro. Sales growth in local currencies was 19.5 per cent, which was in line with the Group targets. Sales in 2007, the year of comparison, included the Dutch operations, which were divested on 1 April 2007. Sales growth without the Dutch business was 17.5 per cent. Organic growth, which includes outsourcing agreements, was 12.4 per cent. Sales growth continued to be strongest in Central and Eastern Europe. Sales in the last quarter were EUR 143.3 (143.8) million. Growth in sales in the last quarter was -0.3 per cent, and 6.7 per cent in local currencies.

EBITA in 2008 was EUR 102.2 (96) million, representing 6.5 per cent growth over the previous year. EBITA was 17.6 (19.3) per cent of sales, which was slightly below the Group target. EBITA for the last quarter amounted to EUR 19.8 (26.1) million, representing 13.8 (18.2) per cent of sales. The weak market situation, the Group's reorganisation expenses and credit losses and credit loss provisions weakened the profit in the last quarter. Reorganisation expenses totalled EUR 1.6 million and credit losses and credit provisions EUR 1.9 million in the last quarter. Profit in the last quarter includes EUR 4.1 million of income from the acquisition of a minority share in Cramo Rentakran, which has not been allocated to the Central and Eastern Europe business segment. Furthermore, the last quarter includes a EUR 3.4 million impairment on the intangible assets included in the Cramo Rentakran acquisition. The systematic adjustment to the changed market situation that has continued throughout the year kept the 2008 profit nearly in line with the targets.

Consolidated operating profit (EBIT) in 2008 was EUR 91.8 (91.8) million, representing 15.8 (18.5) per cent of sales. Profit before taxes was EUR 63.7 (75.8) million and profit for the year EUR 48.7 (57.5) million. Earnings per share in 2008 were EUR 1.59 (1.88), representing a decline of 15.6 per cent on the previous year. Diluted earnings per share were EUR 1.59 (1.87), representing a decline of 15.1 per cent.

The corporate tax rate was lowered in Sweden in December 2008 from 28 per cent to 26.3 per cent, and earlier in 2008 in Russia from 24 per cent to 20 per cent and in the Czech Republic from 21 per cent to 20 per cent. Because of the change in the corporate tax rates, the Group's deferred tax liabilities in the balance sheet diminished clearly and the change in deferred taxes in the profit and loss account was EUR 3.2 million positive in the fourth quarter. Cramo Group has SEK-based deferred tax liabilities in particular, being the result of the Cramo acquisition in 2006, fleet-related depreciation differences and SEK-based financial leasing. As a result of the changes, the Group's taxes were positive in the fourth quarter and the effective tax rate was 23.6 per cent for the full year 2008.

Foreign exchange differences increased the net finance cost by EUR 1.6 million and interest rate differences by EUR 0.8 million in the last quarter. Credit losses and credit provisions in 2008 totalled EUR 4.2 (2.2) million, or 0.7 (0.4) per cent of sales. Expense entries associated with options totalled EUR 2.8 million in 2008.

The equipment rental business had sales of EUR 505.3 (425.9) million in 2008. Sales grew most strongly in Central and Eastern Europe, 32.8 per cent, and 30.4 per cent in Western Europe. Growth in line with the targets was also achieved in Finland and Sweden. EBITA for the equipment rental business amounted to EUR 78.5 (86.0) million, representing 15.5 (20.2) per cent of sales. Profitability in equipment rental fell in comparison to the previous year, partly as a result of a general drop in demand and the strong expansion of activities in Western Europe and Central and Eastern Europe at the beginning of the year.

The modular space business recorded sales of EUR 79.8 (76.7) million, an increase of 4.0 per cent. EBITA for modular space amounted to EUR 23.9 (19.4) million, representing 29.9 (25.2) per cent of sales, up 23.2 per cent over the previous year. Profitability remained very good throughout the year. The modular space business brings stability in Cramo Group's operations over the business cycle.

Group profit in 2008 includes EUR 10.1 million of other income that has not been allocated to the business segments, including the income related to the acquisition of a minority share in Cramo Rentakran and EUR 6.0 million in capital gains from the sale of Finnish properties. Profit for the comparison year of 2007 includes EUR 4.0 million in capital gains from the divestment of the Dutch operations.

Return on investment stood at 12.0 (13.7) per cent and return on equity at 14.9 (18.4) per cent.

CAPITAL EXPENDITURE AND DEPRECIATION/AMORTISATION

Gross capital expenditure of EUR 201.2 (175.5) million in the period was mainly allocated to the purchase of rental equipment. Investment in rental equipment was stronger than earlier in Central Europe and Russia and in the modular space business. Company acquisitions carried out during the period under review are not included in gross capital expenditure.

Reported depreciation on property, plant and equipment and software totalled EUR 85.4 (62.4) million. Amortisation on intangible assets resulting from acquisitions totalled EUR 10.4 (4.1) million. At the end of the year, goodwill totalled EUR 147.9 (152.4) million.

The Group will downsize its investments considerably in 2009 and, instead of investing in new equipment, focus on optimising the use of its existing fleet throughout the Group.

FINANCIAL POSITION AND BALANCE SHEET

The Group showed a positive net cash flow of EUR 121.0 (138.7) million from operating activities. Cash flow from investments was EUR 216.6 to the negative (negative EUR 175.2) million, of which EUR 43.3 million was related to acquisitions. Cash flow from financing activities amounted to EUR 87.5 (13.7) million. At the end of the period, cash and cash equivalents amounted to EUR 8.1 (18.5) million, with the net change coming to negative EUR 8.1 (negative EUR 22.8) million.

The Group's cash flow after investment turned positive in Q4 2008, and was EUR 13.2 million. The Group expects cash flow after investments to be positive in 2009.

At the end of the period, Cramo Group's gross interest-bearing liabilities totalled EUR 485.2 (383.5) million. The Group has used interest rate swaps of approximately EUR 142.3 million to hedge its non-current loans. Hedge accounting is applied to EUR 122.3 million of the non-current loans. Current loans include a total of EUR 125 million of loan withdrawals as current loans from non-current credit limits. Cramo Group's unused credit limits (excluding leasing limits) totalled EUR 100 million on 31 December 2008, of which non-current credit limits totalled EUR 70 million and current credit limits EUR 30 million.

Cramo established the Cramo Finance NV financing company in Belgium at the end of November. The financing company will help Cramo to increase its financing opportunities in international markets and increase loan management efficiency inside the Group.

On 31 December 2008, Cramo Group's net interest-bearing liabilities totalled EUR 477.1 (365.0) million, with gearing at 149.3 (109.4) per cent. The growth in gearing resulted from the Group's capital expenditure and acquisitions in the first half of 2008. The Group expects a decrease in net interest-bearing liabilities in 2009.

The balance sheet total on 31 December 2008 was EUR 997.6 (895.0) million and the equity ratio was 32.4 (37.3) per cent. Because of the weakening of several European currencies against the euro, the Group's equity ratio and gearing did not improve in the last quarter.

Property, plant and equipment amounted to EUR 585.6 (487.0) million, with equipment rental representing EUR 448.1 million, or 76.5 per cent, and modular space representing EUR 137.5 million, or 23.5 per cent. Off-balance sheet operating lease liabilities totalled EUR 68.9 (54.2) million on 31 December 2008.

Net working capital on 31 December 2008 amounted to EUR 33.0 (28.0) million, with equipment rental representing EUR 27.3 (24.6) million, or 82.7 per cent, and modular space representing EUR 5.7 (3.4) million, or 17.3 per cent. Inventories amounted to EUR 15.9 (16.9) million on 31 December 2008, with modular space representing EUR 8.3 million, or 52.0 per cent.

GROUP STRUCTURE

At the end of the period under review, the operating companies of Cramo Group consisted of the parent company Cramo Plc and its wholly-owned subsidiaries in Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, Poland and the Czech Republic, as well as a financing company in Belgium, Cramo Instant Oy's subsidiaries in Finland and Suomen Tähtivuokraus Oy's subsidiaries in Poland and St Petersburg, Russia. Cramo Plc also has a 100 per cent holding in Cramo JV Oy, which has a subsidiary, ZAO Cramo Rentakran, in Russia. The Slovakian business unit is part of the Czech company.

Equipment rental services were provided through a network of 303 (268) depots. Cramo Instant Oy in Finland and Cramo Instant AB in Sweden, Norway and Denmark are engaged in the modular space business.

BUSINESS DEVELOPMENT AND ACQUISITIONS AND DIVESTMENTS

Cramo's key objective in 2008 was to fuel profitable international growth and strengthen its position in all market areas. In the latter half of the year, the focus shifted to reinforcing profitability and positive cash flow. Contingency plans to adjust to the changed market situation were implemented in various countries starting in the second quarter. Cramo's contingency plans include measures to improve sales and customer service and to cut costs. Adjustments in line with the contingency plans will continue during 2009.

In order to free up capital for its core activities, Cramo Plc sold nine Finnish properties to Aberdeen Property Fund Finland I Ky and companies owned by Aberdeen in April. Cramo also sold seven other properties in Finland in the first half of the year. The total capital gain from the property transactions is EUR 6.0 million, which is recognised under other operating income.

Equipment rental services were expanded, particularly in Central and Eastern Europe. In the future, an increasing share of the Group's business will come from developing markets. Modular space rental operations were expanded, particularly in Norway and Denmark.

Measures to develop internal processes and policies and shared IT systems continued during the year. The Group's business intelligence system was taken into use in 2008, and a new ERP system will be implemented in 2009.

The European Rental Association (ERA) presented Cramo with its "Rental Company of the Year" award for the successful and quick conversion of two companies into one of Europe's leading players in the industry.

Cramo's vision is to be the preferred rental solutions provider in the eyes of customers. Cramo aims to be one of the two largest industry players in every market in which it operates, and to be one of the most profitable companies in the industry.

Acquisitions and divestments

In December, in accordance with an agreement with ZAO Rentakran, Cramo acquired Cramo Rentakran's entire 25% minority share of the joint venture in Moscow. Following this transaction, Cramo has a total of eight depots in Russia, located in St. Petersburg, Moscow, Jekaterinburg and Kaliningrad. Cramo will now focus on implementing the full-service Cramo concept in all its Russian units.

During the year, Cramo utilised company and business acquisitions to expand in the Czech Republic, Latvia, Sweden, Finland and Norway and also concluded significant outsourcing agreements in Norway and Denmark.

An agreement was signed with Techniline s.r.o in March concerning the acquisition of the company's entire share capital. Techniline is the leading equipment rental services company in the Czech Republic, with sales of more than EUR 8.0 million in 2007 and operations also in Slovakia. Techniline was integrated into the Group on 1 April 2008. Following the acquisition, Cramo became the market leader in the growing, well-developed equipment rental market in the Czech Republic.

In March, Cramo also signed an agreement to acquire the entire share capital of SIA Tapeks Noma in Latvia. Tapeks Group is the leading Latvian wholesale supplier of general construction equipment and building machinery. Its subsidiary, Tapeks Noma, has provided equipment rental services in 16 depots, and its sales in 2007 amounted to approximately EUR 4 million. Tapeks Noma was integrated into the Cramo Group on 1 May 2008. Following the acquisition, Cramo became the second-largest rental services provider in Latvia.

In March, Cramo Sverige AB, the Swedish wholly-owned subsidiary of Cramo Plc, acquired the entire share capital of Kranab, an access equipment rental company.Operating in the Stockholm area, Kranab recorded sales of EUR 7.2 million in the financial year ending on 30 April 2007. Cramo Sverige AB also acquired the entire share capital of Hyrmaskiner i Bollnäs AB, an equipment rental company, on 1 April 2008. Its annual sales total approximately EUR 1.1 million. Kranab and Hyrmaskiner i Bollnäs were integrated into the Cramo Group on 1 April 2008.

Cramo Finland Oy, Cramo's Finnish subsidiary, acquired the entire share capital of Pohjolan Teline Oy, which operates in the Kemi-Tornio area. The company, which was integrated into Cramo Group on 1 April 2008, has annual sales of approximately EUR 1 million. The acquisition strengthened Cramo's market position in northern Finland, particularly among industrial enterprises.

Cramo Plc's Norwegian subsidiary, Cramo AS, acquired the rental business of Kranenentreprenören AS in May. Its annual sales total approximately EUR 1.7 million. The operations were integrated into the Group on 14 May 2008.

In May, Cramo Sverige AB acquired the business of GMM Hyrservice i Lund, which was integrated into the Group on 1 June 2008. The company operates in the southern part of Sweden and has sales totalling approximately EUR 1.5 million.

Cramo AS signed an outsourcing agreement on 24 June 2008, which transferred the rental operations of JM Byggholt AS, a Norwegian company in the JM construction corporation from Sweden, to Cramo. The agreement, which took effect in August, encompasses all rental assets and a staff of 12. The deal includes a seven-year co-operation agreement, which makes Cramo the main rental equipment supplier to JM Byggholt. During the first year, the agreement is estimated to bring EUR 2.2 million additional sales to Cramo AS.

In Denmark, Cramo signed an outsourcing agreement with MSE A/S, under which Cramo takes over the existing machine fleet of MSE A/S. This makes Cramo the main equipment rental supplier of MSE A/S for a minimum period of five years. The impact of the agreement signed in August on Cramo A/S' sales is estimated at EUR 0.6 million.

HUMAN RESOURCES

During the period under review, Group staff averaged 2.617 (2.070). The equipment rental business had an average of 2.376 (1.832) employees and the modular space business 241 (238) employees.

In particular, the number of staff increased as a result of company, business and fleet acquisitions, which brought over 200 new employees to the Group.

The geographical distribution of personnel is as follows: Finland 30.4 per cent, Sweden 27.3 per cent, Western Europe 13.1 per cent and Central and Eastern Europe 29.2 per cent.

As part of its normal operations, the Group continuously monitors and adjusts its costs, including human resources costs. Due to the adjustment measures made necessary by the weakened market situation, the number of staff was reduced by about 270 in 2008 through dismissals and lay-offs of permanent staff. This figure includes employment relationships that have already ended and those that were agreed upon in the statutory negotiations ending by 31 December 2008. Reductions are likely to continue.

In 2008, human resources development and administration focused on standardising policies in areas such as recruiting, induction and human resource planning. Human resource administration was strengthened with the aim of developing the staff to better meet business and local needs. Management practices were standardised, and management took part in country-specific coaching programmes in all Cramo operating areas. In particular, the training for upper management and key personnel in Central and Eastern Europe supports growth in new markets. Staff training focused on developing sales skills. The expansion of the Cramo School from Sweden to all market areas began in Latvia. Cramo School focuses on customer service and equipment use and safety.

In 2009, Cramo will continue to standardise functions and provide management coaching through the Cramo Academy, which focuses on management and leadership, and by supporting its staff in completing competence-based qualifications.

GROUP MANAGEMENT

At the end of the year, Cramo Group's Executive Committee consisted of President and CEO Vesa Koivula, Deputy CEO Göran Carlson and CFO Martti Ala-Härkönen. In addition, the Group Management team included Senior Vice Presidents Tatu Hauhio (Finland), Erik Bengtsson (Sweden), Jarmo Laasanen (Central and Eastern Europe) and Ossi Alastalo (Modular Space) as well as Vice President, Marketing and Communications Anders Collman, Vice President, Fleet Management Mats Stenholm, CIO Eva Harström, Vice President, Human Resource Development Pirjo Saarni and Vice President, Legal Affairs Mika Puittinen. Effective 1 January 2009, Martin Holmgren took over as Vice President, Fleet Management. His previous position was Product Area Manager in Cramo Group's Fleet Management unit. His predecessor Mats Stenholm will continue to serve as a Senior Advisor to Group management until his retirement at the end of 2009.

The Group's Deputy CEO Göran Carlson was appointed responsible of Business Development and Strategic Planning on 1 January 2008. Göran Carlson continues to serve as Deputy CEO and reports to CEO Vesa Koivula. At the same time, the Senior Vice President, Scandinavia, who previously reported to Göran Carlson, will now report to Vesa Koivula. Erik Bengtsson, who earlier served as Region Manager, East at Cramo Sverige AB, took over as the new Senior Vice President, Sweden on 15 June 2008, after Magnus Rosén, who was responsible for Scandinavian functions announced in January that he was resigning to join another company. Simultaneously, responsibility for the Scandinavian business was divided between the country managers, as a result of which the managing directors of the Danish and Norwegian companies began reporting to President and CEO Vesa Koivula.

Pirjo Saarni, M.Sc. Psychology, was appointed Vice President, Human Resources Development on 7 April 2008 and Mika Puittinen Vice President, Legal Affairs on 17 November 2008. Saarni joined Cramo from the position of HR Manager at Vahanen Oy while Puittinen's earlier position was Vice President, Legal Affairs at Perlos Oyj.

PERFORMANCE BY BUSINESS SEGMENT

Cramo Plc's business during the year consisted of the two following business segments: equipment rental and modular space. The equipment rental business segment is also reported upon by geographic segment as follows: Finland, Sweden, Western Europe (Norway and Denmark) as well as Central and Eastern Europe (Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia and Russia). In the comparison year 2007, Western Europe included the Netherlands until 31 March and the Central and Eastern Europe segment was known as Other Europe.

As of the beginning of 2009, Cramo Group only reports by geographic segment. The modular space business will no longer be reported as a separate segment. The new segment structure reflects the Group's internal reporting structure, in which equipment rental and modular space businesses have been combined under the management of each country. As of the beginning of 2009, Norway and Denmark will be reported as separate segments rather than as the Western Europe segment. Consequently, Cramo Group's business segments in 2009 are Finland, Sweden, Norway, Denmark and Central and Eastern Europe. In addition to segment information, Cramo also continues to report the order book value for modular space.

EQUIPMENT RENTAL

The equipment rental business reported sales of EUR 505.3 (425.9) million in 2008, for an increase of 18.6 per cent. Sales by geographic segment were as follows: Finland 17.6 (17.8) per cent, Sweden 47.2 (50.4) per cent, Western Europe 20.0 (18.2) per cent and Central and Eastern Europe 15.3 (13.7) per cent.

The equipment rental business reported an EBITA of EUR 78.5 (86.0) million, representing a decline of 8.6 per cent.

According to an estimate published by the European Rental Association (ERA) in June 2008, the European equipment rental markets in Cramo's operating area grew by approximately 20 per cent in 2007. At that time, the value of the equipment rental market in Finland was around EUR 420 million, in Sweden EUR 700 million, in Norway EUR 735 million, in Denmark 550 million, in Poland EUR 200 million, in the Czech Republic EUR 70 million, in Slovakia EUR 30 million, in Estonia EUR 60 million, in Latvia EUR 60 million and in Lithuania EUR 50 million.

The equipment rental business segment's major customers operate in the construction sector and manufacturing industry. In addition, the segment provides services to the public sector and private customers. Cramo aims to increase its share of customers in the public sector and areas other than the construction industry. For example, a significant share of sales in Norway comes from services offered to companies in the oil, gas and marine industries.

The construction industry accounted for 58 per cent of the entire Group's sales during the year. The share of other industry has decreased to 21 per cent and public sector has increased to 14 per cent. Households and other customers both account for less than 4 per cent of sales. Households are clearly a higher share of the customer base in Finland than in other countries.

Finland

Cramo is one of the two largest players on the equipment rental market in Finland. There are also many small and specialised competitors in Finland. Despite the tougher competition, Cramo estimates that it increased its market share in 2008. In particular, service activities related to rentals showed strong growth.

The equipment rental business in Finland reported sales of EUR 88.7 (75.8) million during the year, for an increase of 17.1 per cent. EBITA totalled EUR 15.2 million, or 17.1 (19.1) per cent of sales, showing an increase of 4.7 per cent. Although sales development was in line with the targets, the profitability target was quite not reached.

Sales in October-December were EUR 22.3 (20.9) million, representing a growth of 6.8 per cent. EBITA for the last quarter totalled EUR 3.5 (4.2) million, or 15.6 (19.9) per cent of sales.

The weakened markets affected the equipment rental business in Finland in the last quarter. While the measures to enhance profitability initiated in the second quarter began to show results in the third quarter, the weakened market situation at the end of the year meant that the overall profitability for the year fell below the target. As part of the adjustment measures, two sets of statutory negotiations were held in the last quarter concerning staff reductions and lay-offs.

Construction continued on logistics centres, or hubs, to improve the transport and maintenance of heavy equipment. The seven-centre network was completed with the opening of the new hubs in Jyväskylä, Kouvola, Turku and Vaasa. Development of the staff's sales and supervisory skills continued, and the sales organisation was changed into a sector-specific organisation. The total solution provider concept for the service range was well-received by customers. The most important customer agreement was an outsourcing agreement signed with Rakennusliike A. Taskinen, which is part of the Lemminkäinen Group.

In October, the Confederation of Finnish Construction Industries RT estimated that growth in construction would be 4 per cent in 2008. According to RT's estimate, housing construction grew by 4.5 per cent but the number of new commercial building projects decreased. Civil engineering construction increased by 3 per cent. According to RT, construction will decline by 4 per cent in 2009 as construction of new homes drops dramatically. Commercial construction will also decline. Civil engineering construction will remain at the previous year's level. RT predicts an increase of 3.5 per cent in renovation projects in both 2008 and 2009.

In December, Euroconstruct estimated that the Finnish construction market had grown by 1 per cent in 2008. This growth can be attributed to brisk commercial and civil engineering construction. Growth in renovation projects was about 2 per cent. Construction of new homes fell by 11 per cent. Euroconstruct expects construction to decline by nearly 10 per cent in 2009. New housing starts will drop by nearly 16 per cent, commercial construction by 23 per cent and civil engineering construction by 4 per cent.
Renovation projects are expected to grow by 2 per cent.

Sweden

Cramo is the clear market leader in the Swedish equipment rental business. It competes with one national and several regional players and a large number of local rental companies. Cramo estimates that its market share grew in 2008, particularly in Eastern and Northern Sweden and in the Stockholm area.

The equipment rental business in Sweden reported sales of EUR 238.3 (214.5) million in 2008, for an increase of 11.1 per cent. EBITA totalled EUR 51.8 (48.0) million, or 21.8 (22.4) per cent of sales, showing an increase of 8.1 per cent. Development of both sales and profitability was in line with the targets.

Sales in the last quarter amounted to EUR 57.0 (60.2) million, representing a decline of 5.4 per cent. EBITA totalled EUR 11.5 (12.6) million, or 20.3 (21.0) per cent of sales. The clear weakening of the Swedish krona in relation to the euro affected the 2008 sales and EBITA as measured in euros in the fourth quarter.

Business development in 2008 was in line with expectations. Demand remained quite strong in Sweden, but the competition has become tougher. Utilisation rates for Cramo equipment were still high at the end of the year. The change in the operating environment became apparent at the end of the last quarter in the form of postponed construction projects. The adjustment measures initiated at the end of the year will continue in 2009.

One of the most important customer agreements was an agreement signed with Skanska Sverige AB in January, which makes Cramo the main supplier of access equipment to Skanska in Sweden. However, the initial estimated scope of the agreement, EUR 6.5 million, will not quite be achieved due to the slowdown in Skanska's construction. Kranab, which was integrated into the Group in April, increased sales even more than expected. The integration has gone smoothly, and Cramo has clearly improved its position as an access rental company in the Stockholm area. Co-operation with the mining company LKAB expanded in the autumn when LKAB announced an investment of approximately EUR 1.2 billion in its ore mine in Kiruna. Cramo and LKAB agreed on making Cramo the main supplier of rental services and modular space to LKAB. The order is expected to be at least EUR 15 million in size over the next four years, making it one of the largest in this sector in the Nordic countries.

The Swedish Construction Federation estimated in December that construction had grown by about 2 per cent in 2008. However, construction investments already began to drop in the third quarter. Commercial construction grew by 10 per cent and civil engineering grew by 8 per cent, thus ensuring the growth of the entire construction market. Housing construction dropped by 7 per cent in 2008. In 2009, the Swedish Construction Federation expects construction to decline by at least 6 and perhaps even 11 per cent. Housing construction is expected to fall by 28-36 per cent. According to the forecast, commercial construction will remain at the 2008 level or grow by a maximum of 4 per cent. Civil engineering is expected to increase by 8-10 per cent.

In December, Euroconstruct estimated that the Swedish construction market had grown by 0.7 per cent in 2008. Euroconstruct estimated that housing construction had declined by 17 per cent, while commercial construction had increased by 4.5 per cent and civil engineering by 14 per cent. Euroconstruct expects construction to increase by 0.2 per cent in 2009. Housing construction will continue to decline, falling more than 18 per cent. Commercial construction will also decline by 8 per cent. The overall construction market will continue to grow slightly as a result of civil engineering, which will grow approximately 12 per cent.

Western Europe

Cramo's equipment rental business in Western Europe consists of its Norwegian and Danish operations. The Norwegian equipment rental market has one clear market leader, a few medium-sized and several small local rental companies. The several small rental companies in Denmark also gained a second large, international competitor in 2007. Cramo estimates that it is the third largest service provider in terms of market position in both Norway and Denmark.

In Western Europe, the equipment rental business recorded sales of EUR 101.0 (77.4) million in 2008, showing an increase of 30.4 per cent. Compared with comparative sales for 2007 excluding the Netherlands, the year-on-year growth rate was 35.5 per cent. The Dutch business was divested on 1 April 2007. Investments and outsourcing increased sales. EBITA totalled EUR 1.5 (6.5) million, or 1.5 (8.4) per cent of sales. Profit for the entire year was clearly below the target. This was due to a strong expansion in operations early in the year, a dramatically weakened market situation and tougher price competition at the end of the year as well as non-recurring reorganisation expenses of EUR 0.6 million that were allocated to the last quarter.

Sales in the last quarter amounted to EUR 24.2 (23.1) million, representing a growth of 4.9 per cent. EBITA for the last quarter amounted to EUR -3.2 (1.7) million, representing -13.3 (7.4) per cent of sales. The weakened market situation could clearly be seen in sales and profit. Measures to improve profitability initiated in 2008 will continue in 2009.

In line with its target, Cramo was able to strengthen its market share significantly in both Norway and Denmark. Two new depots were opened in Norway and 5 in Denmark, giving Cramo 27 depots in Norway and 22 depots in Denmark at the end of the year. The service range was expanded, particularly in Norway. In Norway, Cramo signed a major outsourcing agreement with JM Byggholt AS. In Denmark, the outsourcing agreement signed in the previous year with Skanska progressed to the integration phase.

Cramo's aim in 2009 is to improve profitability in Norway and Denmark by adjusting costs and increasing efficiency. At the same time, Cramo will develop its total service concept and the synergies between the rental business and modular space.

According to an estimate published by Euroconstruct in December, construction declined by about 2.5 per cent in both Norway and Denmark. Housing construction fell by 24 per cent in Norway and 10 per cent in Denmark. Commercial construction grew by nearly 10 per cent in Norway and about 1 per cent in Denmark. Civil engineering construction will remain at the previous year's level in both countries. In 2009, Euroconstruct expects construction to decline by nearly 8 per cent in Norway and 4.6 per cent in Denmark. New housing starts will fall by 27 per cent in Norway and commercial construction by 15 per cent, but civil engineering will increase by nearly 6 per cent. In Denmark, new housing construction will decline by 30 per cent and commercial construction by about 3 percent. Civil engineering is expected to increase by 10 per cent in Denmark. Renovation projects are also expected to increase slightly in Denmark.

Central and Eastern Europe

Cramo Group's equipment rental business sales in Central and Eastern Europe come from Estonia, Latvia, Lithuania, Poland, the Czech Republic, Russia and Slovakia.

Rental business sales in Central and Eastern Europe amounted to EUR 77.3 (58.2) million in 2008. Sales increased by 32.8 per cent, and Cramo strengthened its market position in all markets. EBITA totalled EUR 10.0 (17.1) million, or 13.0 (29.3) per cent of sales. Profit for the entire year remained below the target. Profit was negatively affected by a dramatic slowdown in construction in the Baltic countries and growth investments in Russia.

Sales in the last quarter amounted to EUR 19.7 (18.1) million, representing a growth of 8.9 per cent. EBITA totalled EUR 0.4 (4.9) million, or 1.9 (27.2) per cent of sales. The changes in exchange rates reduced growth in sales as measured in euros. Profit for the last quarter includes reorganisation expenses totalling EUR 0.9million.

With the exception of Estonia, sales grew by 68 per cent in Central and Eastern Europe. Sales in Estonia fell, but despite this the combined sales in all Baltic countries increased by 3 per cent. Russian operations grew by 171 per cent. In Central Europe, or Poland, the Czech Republic and Slovakia, sales grew by 85 per cent. Growth in sales in Central and Eastern Europe was fuelled by good demand and the expansion of business organically and through acquisitions, as well as the systematic development of key customer relations.

New depots were opened during the year in Poland, the Czech Republic, Estonia and Russia. 4 depots were closed in the Baltic countries. Acquisitions added the number of new depots in Czech Republic, Slovakia and Latvia. Russia operations were expanded to St. Petersburg and Moscow as well as Jekaterinburg and Kaliningrad. The number of rental depots was 82 at the end of the year.

The equipment rental market in the Baltic countries has slowed as construction and residential construction in particular have declined. The outlook for new construction has also weakened in Russia, but an increase in demand for rental services insteadof equipment purchases can be seen. In the near future, the high interest level on the Russian ruble will pose a threat to the development of investment demand in Russia. The market outlooks in Poland, the Czech Republic and Slovakia are still relatively good, but economic uncertainty can also be seen there in the delay of new starts. Competition has become tougher, especially in Poland.

Cramo is preparing for the weakening market situation in 2009 by enhancing the structure of its depot network, making adjustments in costs and the number of personnel and increasing its efforts to optimise the rental fleet between markets. The main impact of these measures will be on the business in the Baltic countries. The long-term outlook for the rental business remains good throughout Central and Eastern Europe.

According to a survey published by Euroconstruct in December, construction in Estonia declined by 8 per cent in 2008, and is expected to fall by 10 per cent in 2009. The corresponding figures in Latvia are -1 and -10 per cent. Construction in Lithuania was estimated to have grown by 7 per cent in 2008 but a decline of 5 per cent is expected in 2009. In Poland, where civil engineering projects in particular are doing well (thanks to EU support), construction increased by more than 12 per cent in 2008 and is expected to grow by 8 per cent in 2009. In the Czech Republic, construction was estimated to have grown by 2.2 per cent in 2008, and this growth is expected to continue by 3.6 per cent in 2009. The corresponding figures for Slovakia are 6 and 2.2 per cent.

It is difficult to obtain up-to-date information on recent market development in Russia. According to general forecasts, construction was estimated to have grown in Russia in 2008, but this growth slowed significantly at the end of the year.

MODULAR SPACE

The modular space business recorded sales of EUR 79.8 (76.7) million in 2008, showing an increase of 4.0 per cent. EBITA totalled EUR 23.9 (19.4) million, and 29.9 (25.2) per cent of sales, for an increase of 23.2 per cent. Profitability improved clearly from the previous year and was at an excellent level. The order book value also improved and, at the end of the year, was higher than in the previous year.

Sales in the last quarter amounted to EUR 20.6 (22.4) million, representing a decline of -7.8 per cent. EBITA for the last quarter amounted to EUR 6.1 (5.3) million, representing 29.5 (23.7) per cent of sales. Sales and performance continued to develop favourably in the last quarter. Both utilisation rates and the order book value remained high.

The positive development of sales and performance can be attributed to good demand, increased production capacity at the start of the year and efficient equipment fleet management. The most significant rental agreements concern day-care centres delivered to the city of Espoo and a EUR 2 million agreement signed at the end of the year for the delivery of three two-storey school buildings to the municipality of Fet in Norway.

The vast majority of sales in the modular space business are generated in the Finnish and Swedish markets. Cramo also operates in Norway and Denmark. While the Finnish operations involve the rental, sale and manufacture of modular space, operations in other markets cover only their rental. The rental business accounted for more than 75 per cent of sales last year. In particular, space needs in the public sector have increased, partly as a result of strong migration, and growth is being sought in the public sector. The public sector account for over 50 per cent of modular space sales, industry slightly less than 40 per cent and the construction industry and other customers together 5 per cent.

Cramo has been the clear market leader in Finland for a long time and believes that this position will continue to strengthen. Competition is becoming stiffer in Finland and Sweden, but in Sweden Cramo maintained its position as the market leader. In Norway, Cramo increased its share significantly and is now the market leader there as well. In Denmark, Cramo has become a significant supplier of modular space.

Cramo will focus more strongly on long-term rental of modular space and believes that the trend towards longer rental periods will continue. The aim in 2009 is to keep the utilisation rate high in Finland and Sweden and to increase the market share and share of long-term agreements in Norway and Denmark. The opportunities to supply modular space are also considered to be good in the Baltic countries and Poland.

Cramo is confident that a portion of the construction projects postponed due to the economic slowdown will be offset by rental spaces-. However, the general economic uncertainty has been apparent in longer decision-making periods concerning rental space. As part of the decrease in the level of investments, Cramo will downsize the production of new rental spaces, and these adjustment measures will continue in 2009.

The equipment rental and modular space functions will be integrated at the beginning of 2009 so that each geographic segment is also responsible for offering modular space. The aim is to increase the synergy benefits of the businesses and to make modular space a more integral part of the Group's total service provider concept.

Modular space refers to highly prefabricated and pre-equipped building modules that can be moved as space requirements change. The most important applications include schools, day-care centres and offices, as well as expansion investments in industry.

SALES BY GEOGRAPHIC SEGMENT

Cramo Group’s secondary segment reporting format is based on geographic regions. Finland generated EUR 126.3 (113.4) million or 21.3 (22.4) per cent of the total consolidated sales, Sweden EUR 273.8 (248.5) million or 46.3 (49.2) per cent, Western Europe EUR 114.1 (85.2) million or 19.3 (16.9) per cent, and Central and Eastern Europe EUR 77.4 (58.3) million or 13.1 (11.5) per cent. These figures include both the equipment rental business and the modular space business.

SHARES AND SHARE CAPITAL

On 31 December 2008, Cramo Plc had a share capital of EUR 24,834,753.09 and the total number of shares was 30,660.189. There were no changes in the share capital or the number of shares during the period under review.

VALID OPTION SCHEMES

The Extraordinary General Meeting held on 20 November 2008 decided on an option scheme under which a maximum of 3,000,000 stock options will be issued, entitling their holders to subscribe for a maximum of 3,000,000 new company shares. The subscription period for stock options 2006A is from 1 October 2009 to

31 January 2011, stock options 2006B from 1 October 2010 to 31 January 2012 and stock options 2006C from 1 October 2011 to 31 January 2013. The subscription price for stock options 2006A is EUR 14.51, in other words, the trading-weighted average share price between 1 October and 31 October 2006. The subscription price for stock options 2006B is the trading-weighted average share price between 1 October and 31 October 2007, or EUR 26.47, and for stock options 2006C the trading-weighted average share price between 1 October and 31 October 2008 or EUR 5.56. Annual dividends will be deducted from the subscription price.

On 31 December 2008, Cramo Group's key personnel held a total of 712,000 2006A stock options, 865,000 2006B and 1,000,000 2006C stock options. The 2007 option scheme covers 100 key persons of the Group.

TRADING ON NASDAQ OMX IN HELSINKI

Cramo Plc has been listed on the Helsinki Stock Exchange since 1988. The share code is CRA1V. In the Nordic list, Cramo Plc is classified as a mid cap company in the industrials sector.

In the financial year from 1 January-31 December 2008, the lowest trading price for Cramo Plc stock was EUR 4.25 and the highest EUR 18.50. The trading-weighted average share price was EUR 10.96 The closing price for the share on 31 December 2008 was EUR 4.60 and the company's market value EUR 141 million.

ANNUAL GENERAL MEETING

Cramo Plc's Annual General Meeting (AGM) on 23 April 2008 discussed matters assigned to the AGM in the Articles of Association, the Board's proposals concerning authorisations to repurchase and sell company shares, and the Board's proposal concerning authorisation to issue shares and decide upon special rights entitling their holder to shares.

The AGM approved the financial reports for the Group and the parent company for 2007 and discharged the members of the Board of Directors and the President and CEO from liability for the financial year 2007. The AGM decided that a dividend of EUR 0.65 per share be distributed.

The AGM re-elected Stig Gustavson, Gunnar Glifberg, Eino Halonen, Hannu Krogerus, Esko Mäkelä and Juhani Nurminen to the Board of Directors. Fredrik Cappelen was elected as a new member to the Board.

The Annual General Meeting confirmed the remuneration as EUR 60,000 per year for the Chairman of the Board, EUR 40,000 per year for the Vice Chairman and EUR 30,000 for the other members of the Board. Forty per cent of the remuneration shall be paid in Cramo Plc shares and sixty per cent in cash. Remuneration for foreign members can be paid entirely in cash. In addition, an attendance fee of EUR 1,000 was approved for attendance at each meeting of the Board's Audit Committee and the Nomination and Compensation Committees.

The AGM authorised the Board of Directors to decide upon the acquisition or transfer of a maximum of 3,066,000 treasury shares in one or more tranches. The AGM authorised the Board of Directors to decide on a share issue and on issuing option rights, convertible bonds and other special rights entitling their holder to shares as referred to in Chapter 10, section 1, of the Finnish Limited Liability Companies Act as well as all the terms of the share issue and provision of special rights entitling their holder to shares.

Cramo Plc's auditors were Tomi Englund, Authorised Public Accountant and Ernst & Young Oy Authorised Public Accountants with Erkka Talvinko as the main responsible accountant.

VALID BOARD AUTHORISATIONS

The Annual General Meeting held on 23 April 2008 authorised the Board of Directors to acquire treasury shares in one or several tranches and to decide on their transfer in one or several tranches. The Board of Directors is also authorised to decide on a share issue and on issuing option rights, convertible bonds and other special rights entitling their holder to shares as referred to in Chapter 10, section 1, of the Finnish Limited Liability Companies Act.

The Board also has the authorisation to issue a maximum of 3,000,000 stock option rights pertaining to the 2006 option scheme.

Prior to the AGM on 23 April 2008, the Board of Directors did not have any authorisations to increase share capital, issue convertible bonds or buy back treasury shares.

CORPORATE GOVERNANCE AND AUDITORS

As of 24 April 2008, the Cramo Plc Board of Directors consists of Stig Gustavson (Chairman), Gunnar Glifberg, Eino Halonen, Hannu Krogerus, Esko Mäkelä, Juhani Nurminen and Fredrik Cappelen.

The Audit Committee members are Eino Halonen (Chairman), Esko Mäkelä and Juhani Nurminen. Members of the Nomination and Compensation Committee are Stig Gustavson (Chairman), Gunnar Glifberg and Hannu Krogerus.

Board members Stig Gustavson, Hannu Krogerus, Esko Mäkelä, Juhani Nurminen, Fredrik Cappelen and Eino Halonen are deemed independent of the company and its major shareholders. Gunnar Glifberg is deemed independent of the major shareholders, but as the former President and CEO of Cramo AB until autumn 2005, he is deemed dependent of the company until the autumn of 2008.

The Board members until 23 April 2008 were Stig Gustavson (Chairman), Eino Halonen (Vice Chairman), Gunnar Glifberg, Hannu Krogerus, Juhani Nurminen and Esko Mäkelä. The Audit Committee members until 23 April 2008 were Eino Halonen (Chairman), Esko Mäkelä and Juhani Nurminen. Members of the Nomination and Compensation Committee were Stig Gustavson (Chairman), Gunnar Glifberg and Hannu Krogerus.

In 2008 the Board met 12 times, the Audit Committee four times and the Nomination and Compensation Committee two times.

On 31 December 2008, the Board members, the President and CEO and his deputy held, either directly or through companies in which they exercise control, a total of 122,591 Cramo Plc shares, which represents 0.40 per cent of the company's shares and votes, and a total of 458,000 stock options.

The company's auditors were Tomi Englund, Authorised Public Accountant and Ernst & Young Oy Authorised Public Accountants, with Erkka Talvinko, Authorised Public Accountant, as the main responsible auditor

Cramo Plc observes the Finnish Corporate Governance Code issued by the OMX Nordic Exchange Helsinki, the Central Chamber of Commerce of Finland and the Confederation of Finnish Industry and Employers. Cramo Plc's insider guidelines are based on the Securities Market Act, rules and regulations issued by the Financial Supervision Authority and the insider guidelines of the Helsinki Stock Exchange effective since 1 January 2006. Finnish Central Securities Depository Ltd maintains an insider register of Cramo Plc's permanent insiders, whose holdings are also available on Cramo Plc's website. As of the beginning of 2009, Cramo Plc has observed the Finnish Corporate Governance Code that entered into effect on 1 January 2009.

CHANGES IN SHAREHOLDINGS

On 29 January 2008, UBS AG notified Cramo Plc that the shareholding of its companies UBS AG (Switzerland) and UBS AG London Branch in Cramo Plc had exceeded the five per cent limit on 28 January 2008. After the notification, the company held 1,677,610 shares, representing 5.47 per cent of Cramo Plc shares and votes.

On 24 April 2008, UBS AG notified Cramo that shares held by UBS AG (Switzerland) and UBS AG London Branch in Cramo Plc had fallen below the five per cent limit. Following the notification, the companies held a total of 100,299 Cramo Plc shares, representing 0.33 per cent of shares and votes.

On 25 April 2008, Morgan Stanley notified Cramo Plc that the shareholding of its companies Morgan Stanley & Co International plc, Morgan Stanley & Co. Incorporated and MSDW Equity Financing Services in Cramo Plc had exceeded the five per cent limit. After the notification, the companies held a total of 2,629,852 Cramo Plc shares, representing 8.57 per cent of shares and votes.

On 29 April 2008, Morgan Stanley notified Cramo Plc that the shareholding of Morgan Stanley & Co International plc and Morgan Stanley & Co. Incorporated in Cramo Plc had fallen below the five per cent limit. Following this notification, the companies held a total of 1,194,008 Cramo Plc shares, representing 3.89 per cent of shares and votes.

On 2 May 2008, UBS AG notified Cramo that the shareholding of UBS AG (Switzerland), UBS AG London Branch and UBS O´Connor LLC in Cramo Plc had exceeded the five per cent limit. After the notification, the companies held a total of 1,968,793 Cramo Plc shares, representing 6.42 per cent of shares and votes.

On 2 May 2008, Morgan Stanley notified Cramo Plc that the shareholding of Morgan Stanley & Co International plc and Morgan Stanley & Co. Incorporated in Cramo Plc had exceeded the five per cent limit. Following the notification, the companies held a total of 2,542,769 Cramo Plc shares, representing 8.29 per cent of shares and votes.

On 6 May 2008, Morgan Stanley notified Cramo Plc that the shareholding of Morgan Stanley & Co International plc and Morgan Stanley & Co. Incorporated in Cramo Plc had fallen below the five per cent limit. After this notification, the companies held a total of 1,172,239 Cramo Plc shares, representing 3.82 per cent of shares and votes.

On 14 May 2008, UBS AG notified Cramo that the shareholding of UBS AG (Switzerland), UBS AG London Branch and UBS O´Connor LLC in Cramo Plc had fallen below the five per cent limit. Following this notification, the companies held a total of 1,453,431 Cramo Plc shares, representing 4.74 per cent of shares and votes.

On 23 May 2008, UBS AG notified Cramo that the shareholding of UBS AG (Switzerland), UBS AG London Branch and UBS O´Connor LLC in Cramo Plc had exceeded the five per cent limit. After the notification, the companies held a total of 1,551,620 Cramo Plc shares, representing 5.06 per cent of shares and votes.

On 2 June 2008, UBS AG notified Cramo that the shareholding of UBS AG London Branch in Cramo Plc had fallen below the five per cent limit. Following this notification, the company held a total of 1,532,885 Cramo Plc shares, representing 4.99 per cent of shares and votes.

On 3 June 2008, UBS AG notified Cramo that the shareholding of UBS AG London Branch and UBS AG (Switzerland) in Cramo Plc had exceeded the five per cent limit. After this notification, the companies held a total of 1,540,622 Cramo Plc shares, representing 5.02 per cent of shares and votes.

ESSENTIAL RISKS AND UNCERTAINTIES

The main sources of uncertainty in Cramo's business are related to global economic developments, as well as the economic cycle and financial development of each country, fluctuations in interest and exchange rates, availability of financing, credit loss risks and the success of the Group's acquisitions. The international financial crisis has increased the risks involved with business. There are increased risks associated with the availability of financing, the cost of financing as well as credit loss risks. In addition, the weakened market situation brings depreciation risks to the balance sheet values resulting from acquisitions and risks of deviating from the covenant terms in the Group's long-term loans. Greater attention will be paid to the Group's risk management in the changed operating environment.

PROFIT DISTRIBUTION POLICY AND BOARD OF DIRECTORS' PROPOSAL FOR PROFIT DISTRIBUTION

In accordance with the company's profit distribution policy specified in February 2007, Cramo Plc's profit distribution goal is to distribute around one third of the Group's annual profit in terms of share buybacks and/or dividends. The aim is to maintain a steadily improving flow of dividends, while taking into account the Group's investment requirements for growth.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.40 be paid for the financial year 1 January-31 December 2008. The Board of Directors has assessed the company's future business operations and considers that the proposed dividend distribution does not constitute a risk to the company's solvency.

The information in this Financial Report is based on unaudited figures.

2008 Financial Reports Bulletin
11 February 2009 at 9 am

TABLES

This financial report has been prepared in accordance with IAS 34: Interim Financial Reporting. The same accounting policies and definitions of key financial figures have been adopted as in Cramo Plc's annual financial report. The Group has applied the following standards, amendments and interpretations: IAS 1, Presentation of Financial Statements, IFRS 7, Financial Instruments: Disclosures, IFRS 8, Operating Segments, IFRIC 8, 11 and 12. Changes are not assessed as being significant within Cramo's financial figures.

CONSOLIDATED BALANCE SHEET (IN EUR 1,000)	31.12.08	31.12.07
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	585,554	487,038
Goodwill	147,850	152,367
Other intangible assets	97,259	95,359
Available-for-sale investments	314	332
Receivables	7,705	3,954
Deferred income tax assets	17,391	2,974
TOTAL NON-CURRENT ASSETS	856,074	742,024
CURRENT ASSETS		
Inventories	15,920	16,903
Trade and other receivables	117,469	117,548
Cash and cash equivalents	8,123	18,489
TOTAL CURRENT ASSETS	141,513	152,940
TOTAL ASSETS	997,587	894,964
EQUITY AND LIABILITIES		
EQUITY		
Share capital	24,835	24,835
Share premium fund	186,910	186,910
Fair value reserve	117	117
Hedging fund	6,792	6,334
Translation differences	-30,289	-1,867
Retained earnings	131,111	117,351
TOTAL EQUITY	319,476	333,680
RESERVES		
Reserves	186	363
NON-CURRENT LIABILITIES		
Deferred income tax liabilities	78,967	62,200
Interest-bearing liabilities	288,700	274,087
Other non-current liabilities	5,622	8,514
CURRENT LIABILITIES		
Trade and other payables	108,090	106,733
Interest-bearing liabilities	196,546	109,387
TOTAL LIABILITIES	677,925	560,921
TOTAL EQUITY AND LIABILITIES	997,587	894,964

CONSOLIDATED INCOME STATEMENT 1 January 2008-31 December 2008 (EUR 1,000)	10-12/08	10-12/07	1-12/08	1-12/07
SALES	143,316	143,773	579,802	496,428
Other operating income	6,861	367	16,855	7,798
Change in inventories of finished goods and work in progress	-1,216	-2,003	-770	966
Production for own use	5,892	4,922	18,725	15,379
Materials and services	-32,124	-31,523	-117,240	-106,396
Employee benefits	-29,509	-27,174	-118,460	-101,608
Depreciation	-22,845	-17,237	-85,412	-62,356
Amortisation on intangible assets resulting from acquisitions	-5,265	-1,013	-10,350	-4,119
Other operating expenses	-50,530	-44,981	-191,346	-154,248
OPERATING PROFIT	14,578	25,131	91,804	91,844
% of sales	10.2	17.5	15.8	18.5
Finance costs (net)	-9,828	-4,599	-28,128	-16,036
PROFIT BEFORE TAXES	4,749	20,532	63,675	75,808
% of sales	3.3	14.3	11.0	15.3
Income taxes	1,983	-5,853	-15,025	-18,323
PROFIT FOR THE PERIOD	6,732	14,679	48,650	57,485
% of sales	4.7	10.2	8.4	11.6
Earnings per share, undiluted, EUR	0.22	0.48	1.59	1.88
Earnings per share, diluted, EUR	0.22	0.48	1.59	1.87

CHANGES IN GROUP'S EQUITY (IN EUR 1,000)	Share capital	Share issue	Share premium fund	Fair value reserve	Hedging fund	Translation differences	Retained earnings	Total
Share capital on 1 January 2007	24,508	143	185,836	117	3,301	2,818	75,521	292,244
Translation differences						-4,685	-2,134	-6,819
Hedging fund					3,033			3,033
Profit for the period							57,485	57,485
Total income and expense for the year					3.033	-4.685	55.351	53.699
Dividend distribution							-15,326	-15,326
Exercise of options, registered	327	-143	1,074					1,258
Share-based payments							1,805	1,805
Total equity on 31 December 2007	24,835		186,910	117	6,334	-1,867	117,351	333,680
Share capital on 1.1.2008	24,835		186,910	117	6,334	-1,867	117,351	333,680
Translation differences						-28,422	-17,729	-46,151
Hedging fund					458			458
Profit for the period								48,650
Total income and expense for the year					458	-28,422	30,921	2,957
Dividend distribution							-19,929	-19,929
Share-based payments							2,768	2,768
Total equity on 31.12.2008	24,835		186,910	117	6,792	-30,289	131,111	319,476

CONSOLIDATED CASH FLOW STATEMENT (IN EUR 1,000)	1-12/08	1-12/07
CASH FLOW FROM OPERATING ACTIVITIES	120,960	138,653
CASH FLOW FROM INVESTING ACTIVITIES	-216,568	-175,234
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital		1,258
Dividends paid	-19,929	-15,326
Increase (+) / decrease (-) in liabilities	68,235	34,393
Increase (+) / decrease (-) in lease liabilities	39,154	-6,590
CASH FLOW FROM FINANCING ACTIVITIES, TOTAL	87,460	13,735
NET CHANGE IN CASH AND CASH EQUIVALENTS	-8,149	-22,846
CASH AND CASH EQUIVALENTS AT PERIOD START	18,489	41,823
Translation difference	-2,217	-488
CASH AND CASH EQUIVALENTS AT PERIOD END	8,123	18,489

Cash flow from investing activities includes the cash flow from the sale of properties in Finland in 2008 and the cash flow from the sale of the Netherlands leasing business in 2007.

CONTINGENT LIABILITIES (IN EUR 1,000)	31.12.08	31.12.07
On own behalf		
Mortgages on real estate		5,663
Mortgages on companies	83,317	83,317
Pledges	64,740	80,156
Other contingent liabilities	11,016	522

DERIVATIVE FINANCIAL INSTRUMENTS (IN EUR 1,000)	31.12.08	31.12.08	31.12.07	31.12.07
	NV	FV	NV	FV
NV = nominal value				
FV = fair value				
Interest rate derivatives				
Swaps	142,310	-1,637	138,395	+5,492
Options				
Bought				
Written				
Foreign exchange contracts				
Forwards and swaps	134,880	+5,293	87,150	-194

KEY FIGURES	31.12.08	31.12.07
Value of outstanding orders for modular space, EUR 1,000	106,833	94,559
Value of orders for modular space rental, EUR 1,000	102,606	89,250
Value of orders for sale of modular space, EUR 1,000	4,228	5,309
Gross capital expenditure, EUR 1,000	201,192	175,494
% of sales	34.7	35.4
Average number of personnel	2.617	2,070
Earnings per share (EPS), undiluted, EUR	1.59	1.88
Earnings per share (EPS), diluted 1), EUR	1.59	1.87
Equity per share 2), EUR	10.42	10.88
Equity ratio, %	32.4	37.3
Net interest-bearing liabilities, EUR 1,000	477,124	364,985
Gearing, %	149.3	109.4
Issue-adjusted average number of shares	30,660,189	30,586,040
Issue-adjusted number of shares at period end	30,660,189	30,660,189
Number of shares adjusted by dilution effect of share options	30,660,189	30,815,560

1) Adjusted by the dilution effect of shares with entitlement by warrants
2) Number of shares registered at the end of the period

INFORMATION BY BUSINESS SEGMENT (IN EUR 1,000)

The Group’s primary segments comprise the equipment rental business and the modular space business, The secondary, geographic segments consist of Finland, Sweden, Western Europe and Central and Eastern Europe, The equipment rental business sales are also presented by geographic segment.

Sales by business segment (in EUR 1,000)	10-12/08	10-12/07	1-12/08	1-12/07
Equipment rental				
- Finland	22,308	20,897	88,723	75,761
- Sweden	56,956	60,177	238,254	214,515
- Western Europe	24,240	23,117	100,972	77,462
- Central and Eastern Europe	19,737	18,121	77,315	58,202
Equipment rental, total	123,241	122,312	505,264	425,940
- between segments	-117	-94	-323	-227
Modular space	20,640	22,383	79,783	76,733
- between segments	-449	-827	-4,922	-6,017
Eliminations	-566	-921	-5,245	-6,244
Sales, total	143,316	143,773	579,802	496,428
Netherlands as a share of Western Europe	0	0	0	2,954

Operating profit (EBITA) before amortisation on intangible assets resulting from acquisitions, by business segment (EUR 1,000)	10-12/08	10-12/07	1-12/08	1-12/07
Equipment rental				
- Finland	3,480	4,157	15,172	14,493
- Sweden	11,548	12,609	51,836	47,952
- Western Europe	-3,225	1,710	1,524	6,487
- Central and Eastern Europe	377	4,936	10,015	17,082
Equipment rental, total	12,179	23,411	78,547	86,014
Modular space	6,090	5,311	23,857	19,358
Non-allocated capital gains and other income	4,057	0	10,082	4,026
Non-allocated Group activities	-2,417	-2,532	-9,485	-12,859
Eliminations	-66	-47	-848	-576
Operating profit, total	19,843	26,144	102,153	95,963
Netherlands as a share of Western Europe	0	0	0	193

Non-allocated Group activities include expenses resulting from Group management, Group financial management and financing, as well as other Group-level expenses related to projects, Non-allocated capital gains and other income include a capital gain of EUR 4.0 million from the sale of the Netherlands business in 2007, a capital gain of EUR 6.0 million from the sale of properties in Finland in 2008 and EUR 4.1 million in income from the acquisition of a minority share in Cramo Rentakran in 2008. Profit for Western Europe in 2007 includes EUR 193 thousand, representing the results of the operational business in the Netherlands in the first quarter of 2007.

EBITA %, by business segment	10-12/08	10-12/07	1-12/08	1-12/07
Equipment rental				
- Finland	15.6	19.9	17.1	19.1
- Sweden	20.3	21.0	21.8	22.4
- Western Europe	-13.3	7.4	1.5	8.4
- Central and Eastern Europe	1.9	27.2	13.0	29.3
Equipment rental, total	9.9	19.1	15.5	20.2
Modular space	29.5	23.7	29.9	25.2
Non-allocated Group activities				
% EBITA, total	13.8	18.2	17.6	19.3
Western Europe without Netherlands	-13.3	7.4	1.5	8.4

Sales by secondary, geographic segments; sales generated by both the equipment rental business and modular space business are included in the geographic segments	10-12/08	10-12/07	1-12/08	1-12/07
Finland	31,495	31,617	126,287	113,416
Sweden	66,721	63,878	273,849	248,456
Western Europe	27,483	30,832	114,070	85,177
Central and Eastern Europe	19,762	18,197	77,434	58,278
Eliminations	-2,146	-749	-11,839	-8,897
Sales, total	143,316	143,773	579,802	496,428
Netherlands as a share of Western Europe	0	0	0	2,954

FINANCIAL PERFORMANCE BY QUARTERS	10-12/08	7-9/08	4-6/08	1-3/08	1-12/08	1-12/07
Sales	143,316	155,697	154,015	126,774	579,802	496,428
EBITA	19,843	34,215	30,679	17,416	102,153	95,963
EBITA, %	13.8	22.0	19.9	13.7	17.6	19.3

LARGEST SHAREHOLDERS

TEN LARGEST SHAREHOLDERS 31 December 2008		Shares	%
1	Suomi Mutual Life Assurance Company	2,510,176	8,19
2	Rakennusmestarien Säätiö (Construction engineers' fund)	1,862,620	6,08
3	Ilmarinen Mutual Pension Insurance Company	652,256	2,13
4	K.Hartwall Invest Oy	600,000	1,96
5	Odin Finland	528,864	1,72
6	Onninen-sijoitus Oy	500,000	1,63
7	Thominvest Oy	420,340	1,37
8	Kuisla Reima	307,000	1,00
9	Varma Mutual Pension Insurance Company	302,607	0,99
10	Rakennusmestarit ja –Insinöörit Amk Rkl	300,938	0,98
	Ten largest owners, total	7,984,801	26,04
	Nominee-registered -UBS AG London Branch/UBS AG (Switzerland)*	8,483,745	27,67 >5,00
	Others	14,191,643	46,29
	Total	30,660,189	100,0

*Flagging notification 5 June 2008

RELATED PARTY TRANSACTIONS

During the period under review, there were no material transactions with related parties,

BRIEFING

Cramo will hold a briefing and a live webcast at Restaurant Sipuli, conference room Pommern/Passat, 2nd floor, Kanavaranta 7, Helsinki, on Wednesday, 11 February 2009 at 11 am. The briefing will be in English.

To watch the briefing live on the Internet, go to www.cramo.com. A replay of the webcast will be available at www.cramo.com as of 11 February 2009 in the afternoon.

PUBLICATION OF FINANCIAL INFORMATION 2009

The electronic version of the Annual Report 2008 will be published in week 10, 2009.

The 2009 Annual General Meeting will take place on Wednesday, 1 April 2009 in Helsinki.

Cramo will publish three Interim Reports in 2009.
The January–March Interim Report will be published on Wednesday, 6 May 2009.
The January–June Interim Report will be published on Thursday, 6 August 2009.
The January–September Interim Report will be published on Tuesday, 3 November 2009.

The information in this Financial Report is based on unaudited figures.

CRAMO PLC

Vesa Koivula
President and CEO, tel. +358 10 661 10, +358 40 510 5710

Martti Ala-Härkönen
CFO, tel. +358 10 661 10, +358 40 737 6633

DISCLAIMER
This report includes certain forward-looking statements based on the management's expectations at the time they are made. These involve risks and uncertainties and are subject to change due to changes in general economic and industry conditions.

DISTRIBUTION
NASDAQ OMX Helsinki
Principal media
www.cramo.com